

Maine Revised Statutes
Title 36: TAXATION
Chapter 919: SHIPBUILDING FACILITY
CREDIT HEADING: PL 1997, c. 449, §1 (new)

§6851. DEFINITIONS

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [1997, c. 449, §1 (NEW).]

1. Certified applicant. "Certified applicant" means a qualified applicant that has received a certificate of approval from the commissioner pursuant to this chapter and does not participate in the Employment Tax Increment Financing Program established in section 6752 while receiving this credit.

[1997, c. 449, §1 (NEW) .]

2. Commissioner. "Commissioner" means the Commissioner of Economic and Community Development.

[1997, c. 449, §1 (NEW) .]

3. Employment. "Employment" means, for each calendar year, the amount determined by adding the total number of qualified employees of a certified applicant on each of 6 consecutive measurement days of that calendar year as chosen by the certified applicant and then dividing that sum by 6.

[1997, c. 449, §1 (NEW) .]

4. Exception year. "Exception year" means the first calendar year in which a certified applicant has employment of less than 5,000 if the total Maine income taxes deducted and withheld by the certified applicant from qualified employees for that year totals at least \$6,000,000. Beginning January 1, 2003, "exception year" means the first calendar year in which a certified applicant has employment of less than 3,500 if the total Maine income taxes deducted and withheld by the certified applicant from qualified employees for that year totals at least \$6,000,000. A certified applicant is allowed 2 exception years between January 1, 1999 and December 31, 2018.

[1997, c. 449, §1 (NEW) .]

5. Facility. "Facility" includes real estate, tangible personal property, fixtures, machinery and equipment.

[1997, c. 449, §1 (NEW) .]

6. Measurement day. "Measurement day" means the last business day of every other month of any calendar year.

[1997, c. 449, §1 (NEW) .]

7. Qualified applicant. "Qualified applicant" means an applicant for benefits under this chapter that satisfies each of the following tests.

A. The applicant owns or operates or proposes to construct a shipbuilding facility within the State.

[1997, c. 449, §1 (NEW).]

B. The applicant proposes to make a qualified investment. [1997, c. 449, §1 (NEW).]

C. The applicant employs at least 6,500 qualified employees at the time the application is filed. [1997, c. 449, §1 (NEW).]

D. The applicant does not otherwise qualify for the Maine Employment Tax Increment Financing Program set forth in section 6751 at the time the application is filed. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

8. Qualified employee. "Qualified employee" means a person:

A. Who is a full-time employee of the certified or qualified applicant as the case may be; [1997, c. 449, §1 (NEW).]

B. Whose income from that employment is taxable under Title 36, chapter 803; [1997, c. 449, §1 (NEW).]

C. For whom a retirement program is provided subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 101 to 1461, as amended; [1997, c. 449, §1 (NEW).]

D. For whom group health insurance is provided; and [1997, c. 449, §1 (NEW).]

E. Whose income calculated on a calendar year basis is greater than the average annual per capita income in the State. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

9. Qualified investment. "Qualified investment" means expenditures incurred after October 1, 1996 totaling at least \$200,000,000 related to the construction, improvement, modernization or expansion of a shipbuilding facility within the State that results in, supports or enables the utilization of an approximately 10-acre facility that will enable the applicant to erect ships on a flat surface and launch them on an abutting dry dock, including, without limitation, all expenditures for investigation; planning; design; engineering; permitting; acquisition; financing; construction; demolition; alteration; relocation; remodeling; repair; reconstruction; clearing; filling; grading; reclamation of land; activities undertaken to upgrade a waterway serving the facility; capitalized interest; professional services, including, but not limited to, architectural, engineering, legal, accounting or financial services; administration; environmental and utility costs, including, without limitation, sewerage treatment plants, water, air and solid waste equipment and treatment plants, environmental protection devices, electrical facilities, storm or sanitary sewer lines, water lines or amenities, any other utility services, preparation of environmental impact studies, informing the public about the facility and environmental impact and environmental remediation, mitigation, clean-up and protection costs; related offices, support facilities and structures; and any of the foregoing expenditures made or costs incurred prior to or after the effective date of this chapter or certification of an applicant and regardless of whether the expenditure relates to an activity or improvement within or outside of the approximately 10-acre facility. "Qualified investment" includes only expenditures that are capitalized for federal income tax purposes. Except for employees who are engaged in the design, engineering and construction of the facility, "qualified investment" does not include the salaries or other compensation paid to the employees of the qualified applicant or of any affiliate of the qualified applicant.

[1997, c. 449, §1 (NEW) .]

10. Qualified ship. "Qualified ship" means any new ship launched by a certified applicant during or after 1998:

A. Built at a facility constructed, expanded, modified or modernized as part of a qualified investment; and [1997, c. 449, §1 (NEW).]

B. For which the certified applicant has a contract with an original contract value of at least \$200,000,000. [1997, c. 449, §1 (NEW).]

[1997, c. 449, §1 (NEW) .]

SECTION HISTORY

1997, c. 449, §1 (NEW).

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